

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 3037 - HB 3285

March 5, 2012

SUMMARY OF BILL: Defines “mutual consent” as the practice of hiring teachers in which the principal of the school where there is a vacancy has the right to interview and extend job offers to applicants for the position based on the applicant’s past effectiveness and qualifications and whereby the applicant has the right to accept or reject any position offered by the principal. Requires local education agencies (LEAs) that administer multiple schools to include provisions in teacher contracts for placement of teachers who are rated as above expectations or significantly above expectations in schools based on the mutual consent of the teacher and principal of the school. Authorizes LEAs to adopt options for teachers who are rated above expectations or significantly above expectations who are displaced and not selected for a regular position through mutual consent. If a teacher is unable to obtain a mutual consent assignment after a period of 12 months or two hiring cycles, whichever is longer, the LEA may place the teacher on unpaid leave until the teacher is able to find a position. Requires the LEA to reinstate a teacher’s pay when the teacher finds a position and specifies that this pay be equal to what the teacher was receiving at the time the unpaid leave began. States that nothing in this section shall limit the ability of an LEA to place a teacher in a limited-term assignment for which they are qualified for a period of 12 months. A limited-term assignment may mean teaching assignment, substitute teaching assignment, or instructional support role during the period in which the teacher is trying to secure a mutual consent placement. A limited-term assignment shall not constitute a mutual consent placement and shall not be interpreted as interrupting the period in which the teacher is required to secure a mutual consent placement before being placed on unpaid leave.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – To the extent that teachers are placed on mutual consent assignments that necessitate hiring an additional teacher, LEA expenditures will increase by approximately \$59,555 per teacher. To the extent that teachers are placed on unpaid leave, LEAs may decrease expenditures until such time as these teachers have returned to a position within the LEA. Any increase or decrease in local expenditures is permissive and will be dependent upon the number of principals and teachers who use mutual consent placement and what type of policy the LEA develops for its use.

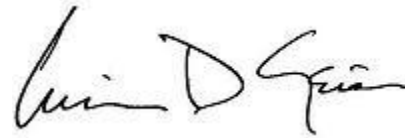
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Assumptions:

- More teachers may be permissively hired if the use of mutual consent placement necessitates such a hiring. According to the Department of Education, the average salary and benefits for a teacher in Tennessee is \$59,555 with \$45,891 in salary and \$13,664 in benefits.
- More teachers may be placed on unpaid leave as a result of not finding a mutual consent placement. This will result in a decrease in permissive local expenditures.
- Any permissive increase or decrease in local expenditures will be dependent upon the number of mutual consent placements, how this policy is used within an LEA, the salary of a given teacher, and the teaching or other needs within the LEA. Any permissive increase or decrease is not quantifiable.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

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